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# CIA Provided Contras \$13 Million in Assistance Under Reagan 'Finding'

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On Jan. 9, 1986, President Reagan signed a top secret intelligence order authorizing the Central Intelligence Agency to provide intelligence advice, training and communications equipment to the contras fighting the government of Nicaragua, according to administration and congressional sources.

Under the Reagan order—formally known as a "finding"—a total of \$13 million was spent last year on CIA assistance to the contras, the sources said. The CIA moved quickly to carry out the finding because it provided an opportunity to help the contras with critical aid at a time Congress had prohibited military assistance to the rebels in their fight against Nicaragua's Sandinista regime.

That intelligence and communications aid, which one administration source said was "like authorizing half a war," was explicitly permitted by Congress in legislative compromises made in late 1985.

At that time, the Senate was battling to expand U.S. aid to the contras and the House was trying to eliminate it. Rather than continuing what had been a cutoff of CIA assistance to the contras, Congress in November 1985 agreed to a modification that allowed the agency to provide "intelligence and counter-intelligence advice . . . [and] information." A report compiled by Senate and House members said this assistance also could include "infrastructure expenditures and communications equipment."

In general, according to a variety of sources, the contra fight was kept alive in 1986—before Congress resumed military assistance last fall—through the \$13 million in CIA assistance, the \$27 million in "humanitarian" aid appropriated by Congress in 1985 and the network of private fund-raising efforts tapped by Lt. Col. Oliver L. North,

the former National Security Council staff member.

Administration sources said that in the overall conflict the intelligence and communications assistance may have been more important than weapons.

Reagan's subsequent Jan. 9, 1986, finding was reported to the congressional intelligence committees as required, unlike the finding signed eight days later by the president that authorized the sale of arms to Iran and which was deliberately kept secret from the congressional oversight committees.

Though the finding is basically a restatement of the law, the CIA cannot undertake any covert action, including giving advice, without formal presidential approval.

Once Reagan signed the Jan. 9 order, CIA Director William J. Casey moved quickly to strengthen the CIA stations in key Central American countries and to insure that the CIA and other U.S. intelligence agencies monitored every phase of the Sandinista-contra conflict.

One well-placed source said that the National Security Agency, the Pentagon's Defense Intelligence Agency and the U.S. military intelligence services were given additional tasks to insure that "the Sandinistas and contras were covered with a blanket," as one source put it.

Another source said several dozen intelligence reports on the conflict flowed out of one major Central-American CIA station each day in 1986. The sources said that \$10 million was spent on this stepped-up intelligence gathering, and \$3 million for communications equipment and training.

The \$10 million went to pay for additional personnel, increased communications monitoring and photographic reconnaissance, the sources said.

"We gave Bill Casey the crack in the door, through which he drove some very serious aid and assistance, perhaps enough to make the difference in the half war of 1986," said one Democratic intelligence committee member who opposes contra aid. "I believe it was all done legally."

Two other members of congressional intelligence committees—one Democrat and the other Republican—disputed this and said that they believed the administration and the CIA exceeded the authority permitted under the law. But these members were unable to cite a specific example yesterday of how the law might have been broken.

The question of CIA assistance is expected to

be investigated by the new Senate and House committees set up to probe the Iran arms sales-contra aid affair. Independent counsel Lawrence E. Walsh also has authority to investigate the support given the contras since 1984 by anyone in or out of government.

There have been assertions that CIA operatives in Honduras, El Salvador and Costa Rica provided the contras with considerable assistance last year. There has been no conclusive evidence to date, however, that the agency gave assistance beyond the intelligence and communications aid allowed by Congress.

Current and former intelligence officials said that when the CIA drafts a covert action finding for the president's signature, it usually includes authority to provide intelligence advice and information. It is the kind of broad, umbrella authority that provides legal protection to CIA operations officers engaged in covert action, the officials said.

For example, the Jan. 17, 1986, finding allowing U.S. arms sales to Iran included authority to provide "intelligence, counterintelligence, training . . . and communications."

Said one intelligence official, "With that kind of authority, a DO [CIA Directorate of Operations] officer can do just about anything except pull the trigger" in supporting a covert paramilitary operation.

At the same time, the law prohibited the CIA or other U.S. government agencies from providing direct funds to the contras, or assisting in contra military actions. Transportation assistance could be given as part of the \$27 million in humanitarian assistance that was authorized by Congress for the contras, as long as the transportation was not for military operations, sources said.

An administration official said that this was interpreted to mean that the CIA could tell the contras where to drop weapons, but the agency could not supply the weapons or know the source of the weapons.

For example, in a statement on the intent of the 1985 law, Rep. Lee Hamilton (D-Ind.), then chairman of the House Permanent Select Committee on Intelligence, said, "There is authorization for provision of information and advice to the contras. However, training or any other activities, including advice, that amount to participation in the planning or execution of military activities by the contras, or acting as military advisers to the contras, is prohibited. A limited amount of communications equipment and related training will be provided to the contras to facilitate the exchange of information and intelligence that has been authorized."

In reality, administration and congressional sources said it is difficult to provide intelligence advice to people involved in an armed conflict and not somehow—either directly or indirectly—contribute to their capability to conduct military operations.

Former representative Michael D. Barnes (D-Md.), who was chairman of the House Foreign Affairs subcommittee on the Western Hemisphere and a leading opponent of contra aid, said yesterday that "based upon what I know, I am not prepared to say that the law was violated" by the CIA in Central America.

"I understood that a compromise had been worked out so the agency could share intelligence with the contras, so we could warn them if they were about to be decimated . . . The State Department said they need a loophole to alert the contras so we wouldn't be responsible for them being wiped out.

"A lot of members of Congress who voted for the compromise misunderstood what they were voting for," Barnes added. "It was a loophole through which you could drive some pretty large vehicles."

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*Staff researcher Barbara Feinman contributed to this report.*